# GOVERNMENT OF INDIA
# PETROLEUM AND NATURAL GAS
# LOK SABHA

STARRED QUESTION NO:279
ANSWERED ON:10.08.2000
CONTRACT FOR FLOATING STORAGE ETC.
RAGHUNANDAN LAL BHATIA

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether Indian Oil Corporation is back tracking over awarding a contract to Shipping Corporation of India (SCI) for the complete floating storage and off loading of oils;

(b) if so, the reasons therefor;

(c) whether the Government have decided to reconsider the matter; and

(d) if not, the reasons therefor?

## Answer

MINISTER OF PETROLEUM AND NATURAL GAS ( SHRI RAM NAIK )

(a) to (d) : To overcome the present lighterage operation vis-a-vis the quantity that has to be handled, IOC proposed to keep the Floating Storage and off loading of oils (FSO) of 3,00,000 MT capacity in and around Sandheads in the Bay of Bengal. Initially, the possibility of awarding a suitable. FSO system to the SCI on nomination basis was explored. It is a bilateral commercial dealing between the IOC and the SCI in which decisions are taken by the board of the respective companies, on the basis of their commercial prudence and requirements.